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BEFORE THE ARIZONA CORPORATION

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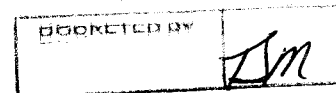
Arizona Corporation Commission

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SEP 25 2012

AZ CORP COMMISSION
DOCKET CONTROL



COMMISSIONERS

GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

In the matter of:

DOCKET NO. S-20846A-12-0135

ARIZONA GOLD PROCESSING, LLC, an
Arizona limited liability company,

AZGO, LLC, an Arizona limited liability company;
and

CHARLES L. ROBERTSON, a married man,

Respondents.

THIRD
PROCEDURAL ORDER
(Continues Hearing and Schedules
Procedural Conference)

BY THE COMMISSION:

On April 6, 2012, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Temporary Order to Cease and Desist ("T.O.") and a Notice of Opportunity for Hearing ("Notice") against Arizona Gold Processing, LLC ("AGP"), an Arizona limited liability company, AZGO, LLC ("AZGO"), an Arizona limited liability company, and Charles L. Robertson, a married man, (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of membership interests and/or investment contracts.

The Respondents were duly served with copies of the T.O. and Notice.

On April 29, 2012, Respondent Charles Robertson filed a request for a hearing in this matter on behalf of himself and as manager of AGP and AZGO.

On May 7, 2012, by Procedural Order, a pre-hearing conference was scheduled on May 30, 2012.

On May 30, 2012, at the pre-hearing conference, the Division and Respondents appeared through counsel. The Division and Respondents were to discuss the issues raised by the T.O. and Notice and were attempt to settle the proceeding. The Division requested that, in the interim, a

1 hearing be scheduled in the fall. Subsequently, by Procedural Order, a hearing was scheduled to
2 commence on October 9, 2012.

3 On September 20, 2012, Respondents filed a Motion to Continue the hearing. Respondents
4 stated that a key witness to their defense, Patrick Hayes, Ph.D., is scheduled to be in the Republic of
5 China during most of the month of October 2012. Respondents stated that Dr. Hayes possesses
6 unique and thorough knowledge to respond to the allegations which have been made by the Division.
7 Respondents further stated that Dr. Hayes' testimony will be highly relevant to the issues raised by
8 the Division.

9 On September 21, 2012, the Division filed a response to the Respondents' Motion to
10 Continue. The Division argued that the proceeding should not be continued. The Division stated that
11 the hearing should proceed as scheduled and that Dr. Hayes' testimony be scheduled after the balance
12 of the proceeding is concluded. The Division also filed a Motion to Allow Telephonic Testimony for
13 five witnesses, all of whom reside outside of Arizona. Coincidentally, one of these five Division
14 witnesses will also be in China during the scheduled hearing, but the Division indicated he would be
15 available to testify during the proceeding.

16 A review of the witness lists of the parties reveal that the Division has listed ten potential
17 witnesses and Respondents have listed twelve witnesses. Based on the motions, it appears that the
18 proceeding would be fragmented at best and would not produce a coherent record upon which a
19 sound decision could be reached. The Division's five telephonic witnesses alone create a logistical
20 problem due to the time differences involved especially considering that one Division witness would
21 be testifying from China and that involves at least a fifteen-hour time difference. Additionally, due to
22 the number of potential witnesses, it appears that a hearing longer than five days should be scheduled.

23 Under the circumstances, a continuance should be granted, and a procedural conference
24 scheduled to take its place.

25
26 IT IS THEREFORE ORDERED that the hearing scheduled on October 9, 2012, shall be
27 continued, and that a **procedural conference shall be held on October 9, 2012**, in its place at 10:00
28 a.m., at the Commission's offices, 1200 West Washington Street, Hearing Room No. 1, Phoenix,

1 Arizona.

2 **IT IS FURTHER ORDERED that if the parties reach a resolution of the issues raised in**
3 **the Notice prior to the hearing, the Division shall file a Motion to Vacate the proceeding.**

4 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
5 Communications) is in effect and shall remain in effect until the Commission's Decision in this
6 matter is final and non-appealable.

7 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
8 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission
9 *pro hac vice*.

10 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance
11 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
12 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances
13 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is
14 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the
15 Administrative Law Judge or the Commission.

16 IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter,
17 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by
18 ruling at hearing.

19 DATED this 25TH day of September, 2012.

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23 
MARCE E. STERN
ADMINISTRATIVE LAW JUDGE


24 Copies of the foregoing mailed/delivered
25 this 25th day of September, 2012 to:

26 Scott M. Theobald
27 Mark A. Nickel
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13 Phoenix, AZ 85004-1481

14 By: 
15 Debra Broyles
16 Secretary to Marc E. Stern
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